

**GOVERNANCE & SUCCESSION
FAMILY BUSINESS
FAMILY OFFICE**

WEBINAR SERIES

2 / 6

27 AUG 4:00 PM (GMT + 8)

**Governance & Succession
Solving the Problem**

MCCARTHY DENNING

PK Wong & Nair.

AZB & PARTNERS
ADVOCATES & SOLICITORS

Shearn Delamore & Co

MORI HAMADA & MATSUMOTO

IBDO

ABNR
COUNSELLORS AT LAW

PJS LAW
RUPIT JACINTO & SANTOS

ONE LAW OFFICE

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**GOVERNANCE & SUCCESSION
FAMILY BUSINESS
FAMILY OFFICE**

WEBINAR SERIES

**Regional Talk
India | Indonesia**

2 SEP

4:00 PM (GMT+8) |
1:30 PM (GMT+5:30) |
3:00 PM (GMT+7)

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Jennifer Chih
Partner
PK Wong & Nair

Zac Lucas
Partner
McCarthy Denning

Wu Soo Mee
Executive Director
BDO Tax Advisory

4

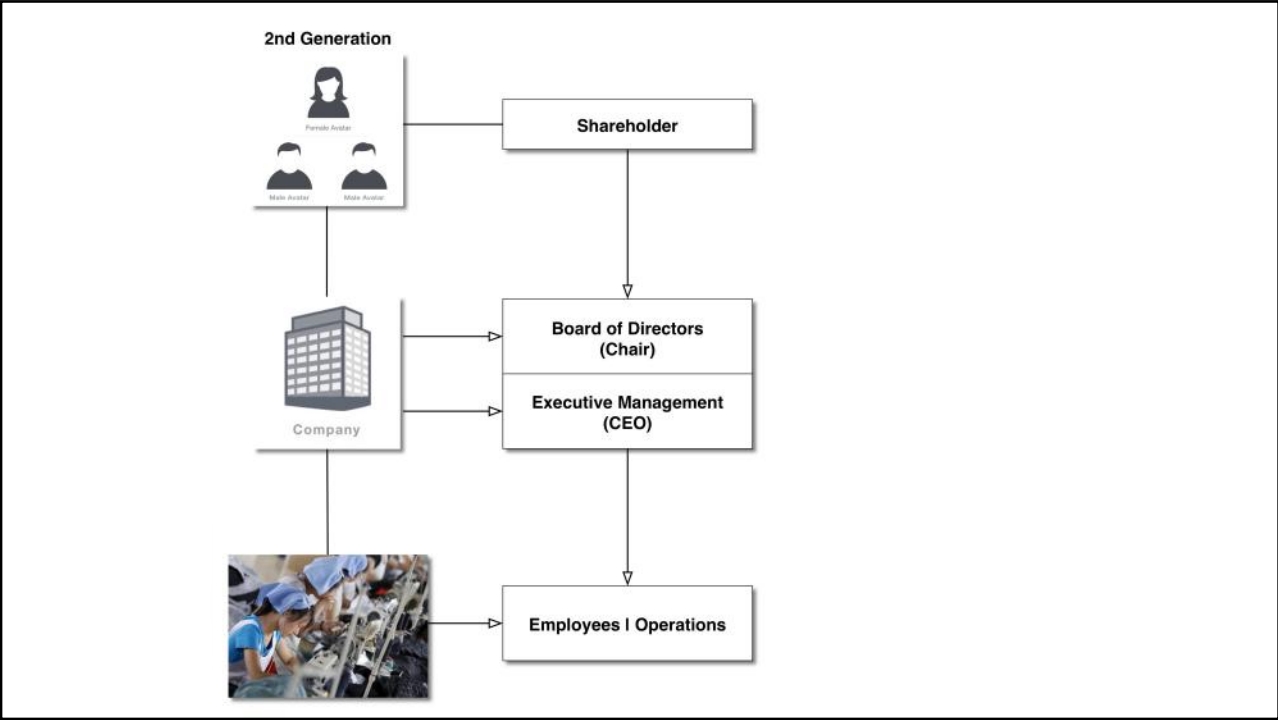
Agenda:

- Shareholder Succession | Jennifer Chih | Zac Lucas
- Trust Succession | Zac Lucas
- Getting Started | Wu Soo Mee

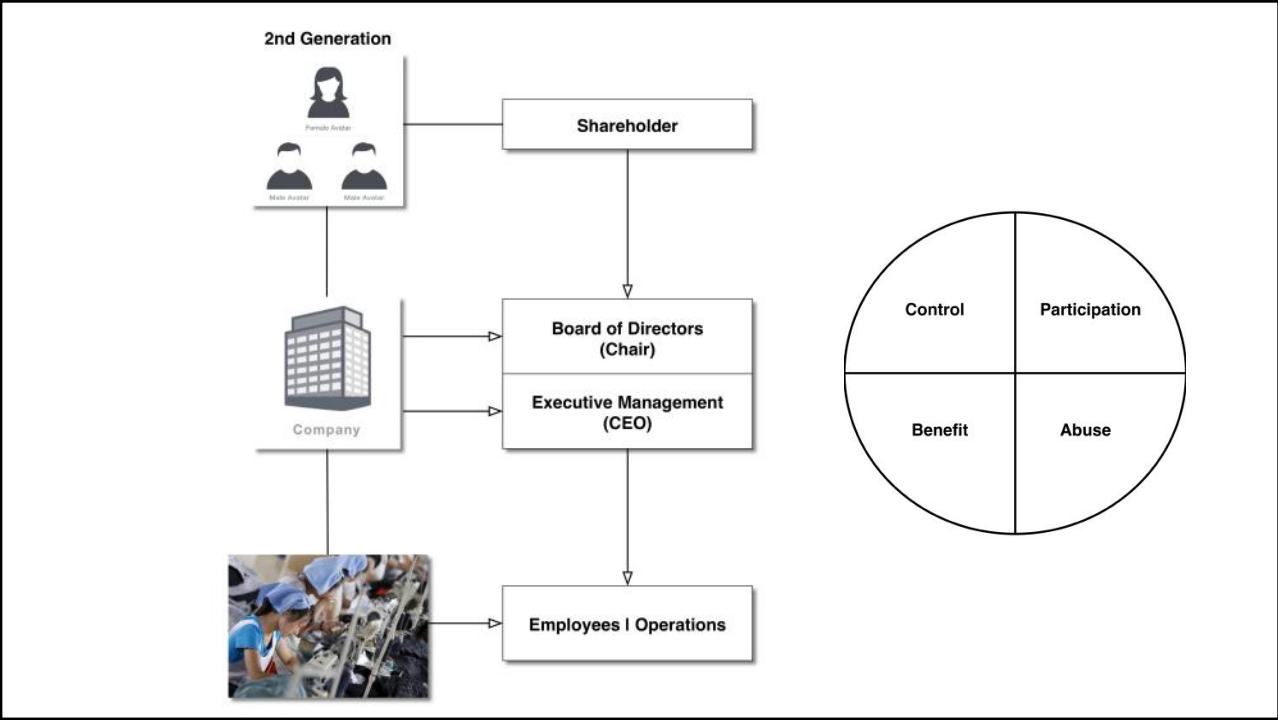
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Corporate Succession:

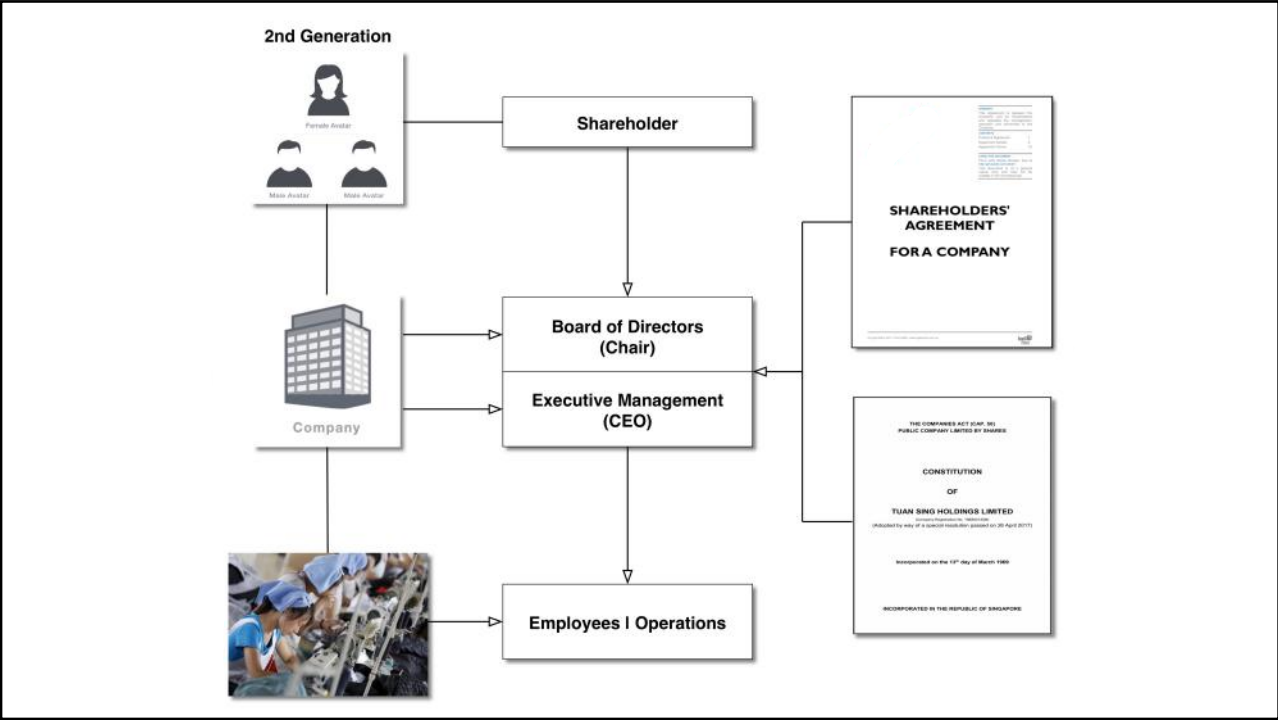
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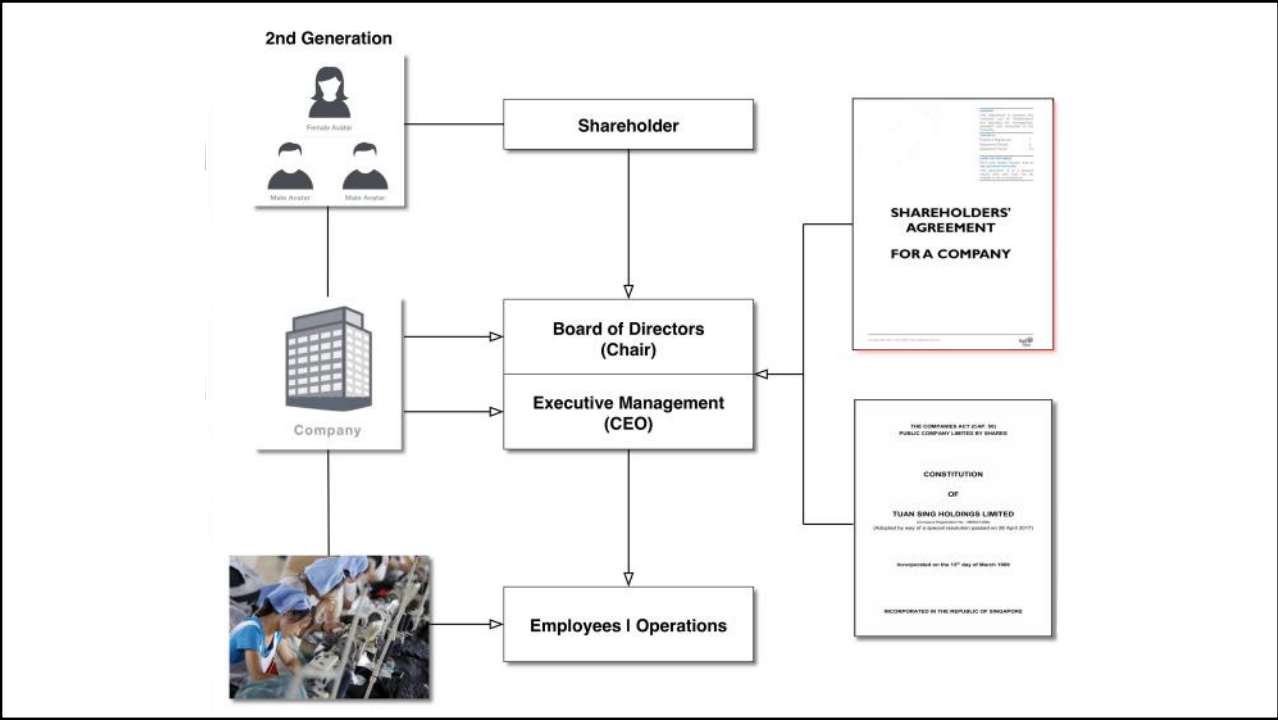
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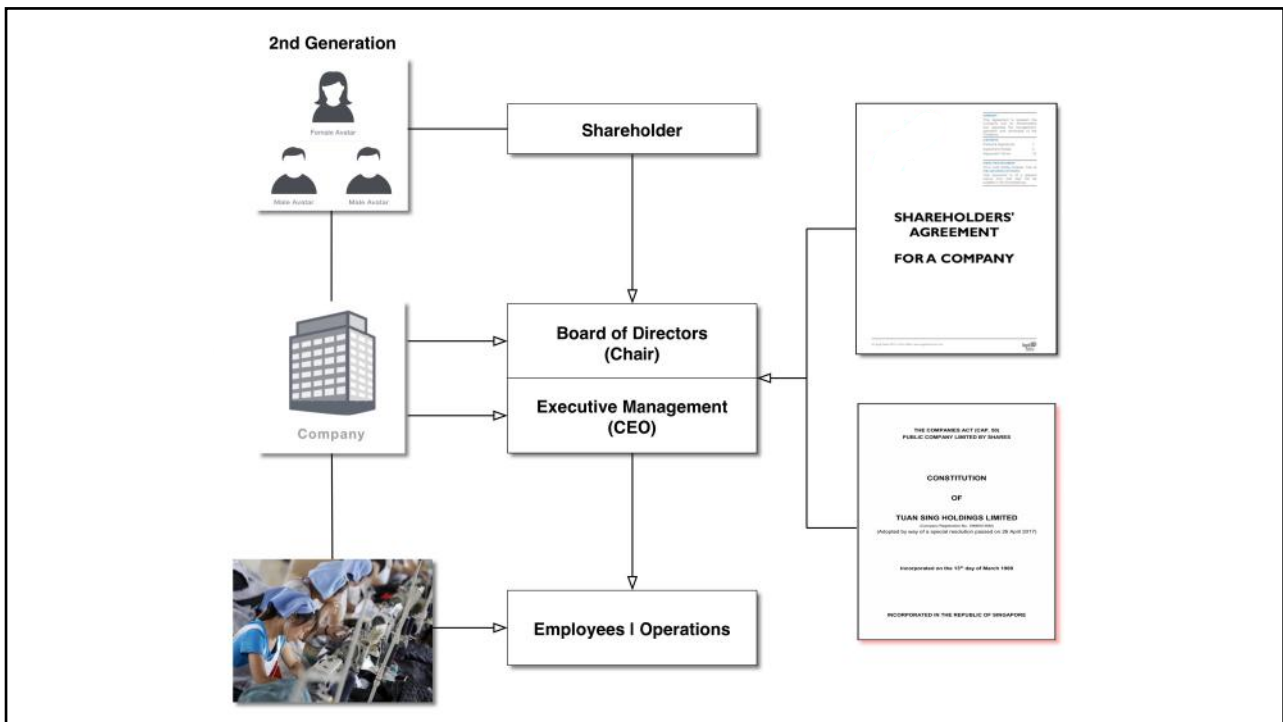
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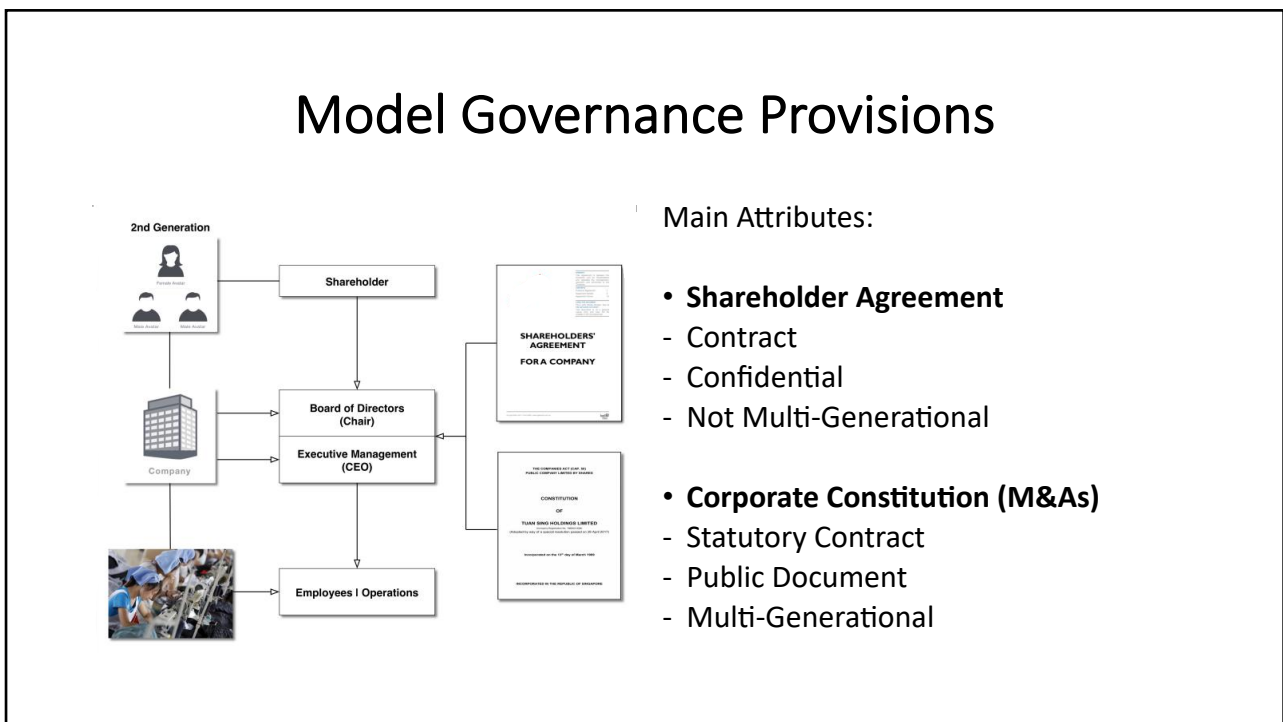
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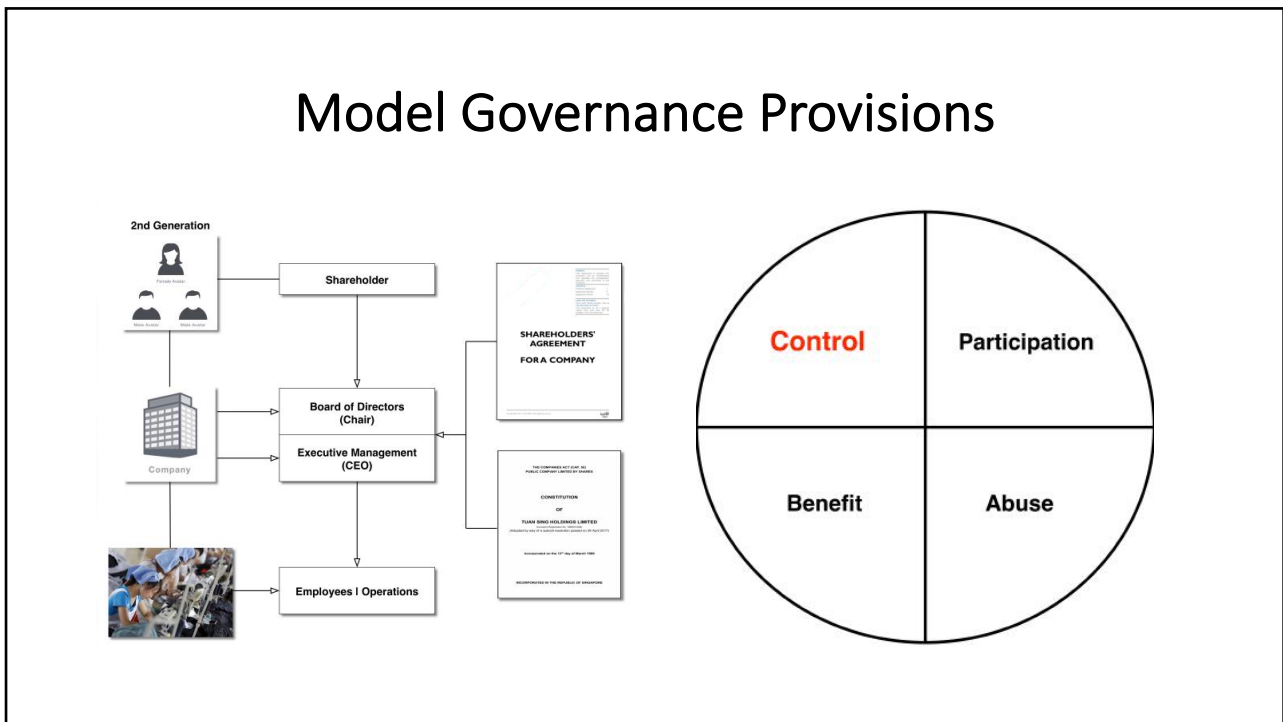
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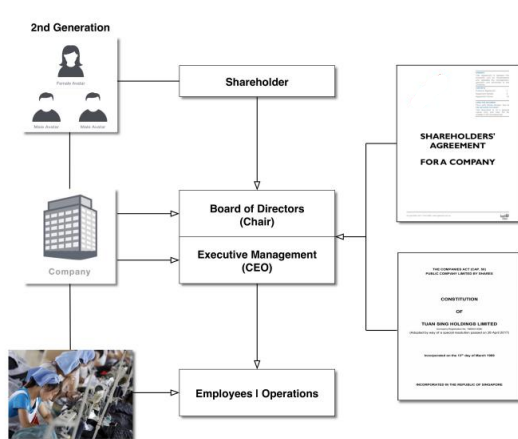
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Governance Provisions- Control

- How are Directors Appointed – Model M&As | Corporate Law?
- Status of a Nominee Director?
- Can we allow Each Shareholder to Appoint | Remove a Director?
- Can we provide detailed Director qualification criteria?
- Entrenched?

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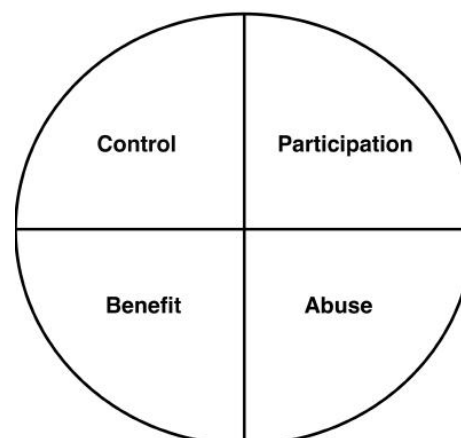
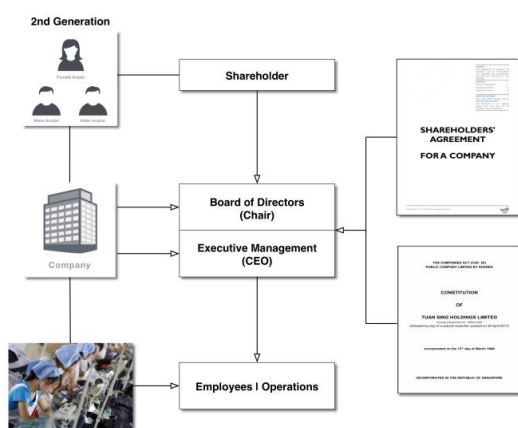
Governance Provisions - Control



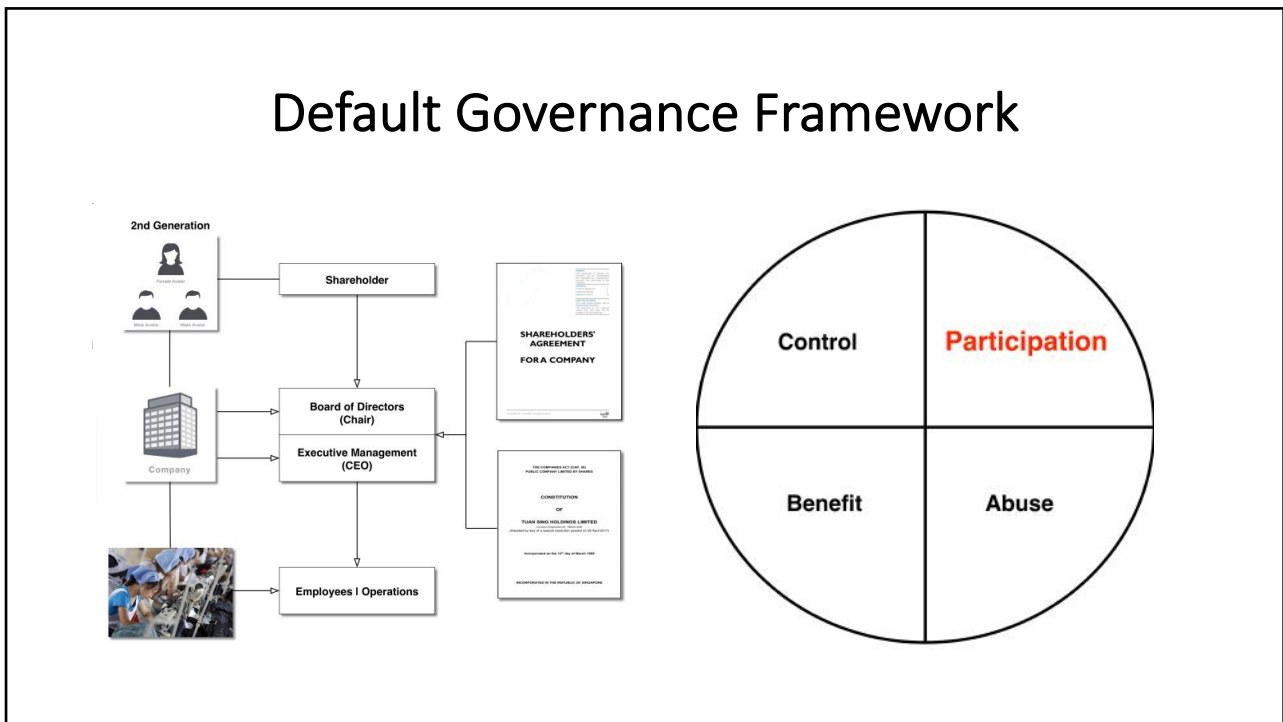
- What are the default objects of a company – Model M&As | Corporate Law?
- Can this be restricted?
- M&As or Shareholder Agreement?

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Default Governance Framework



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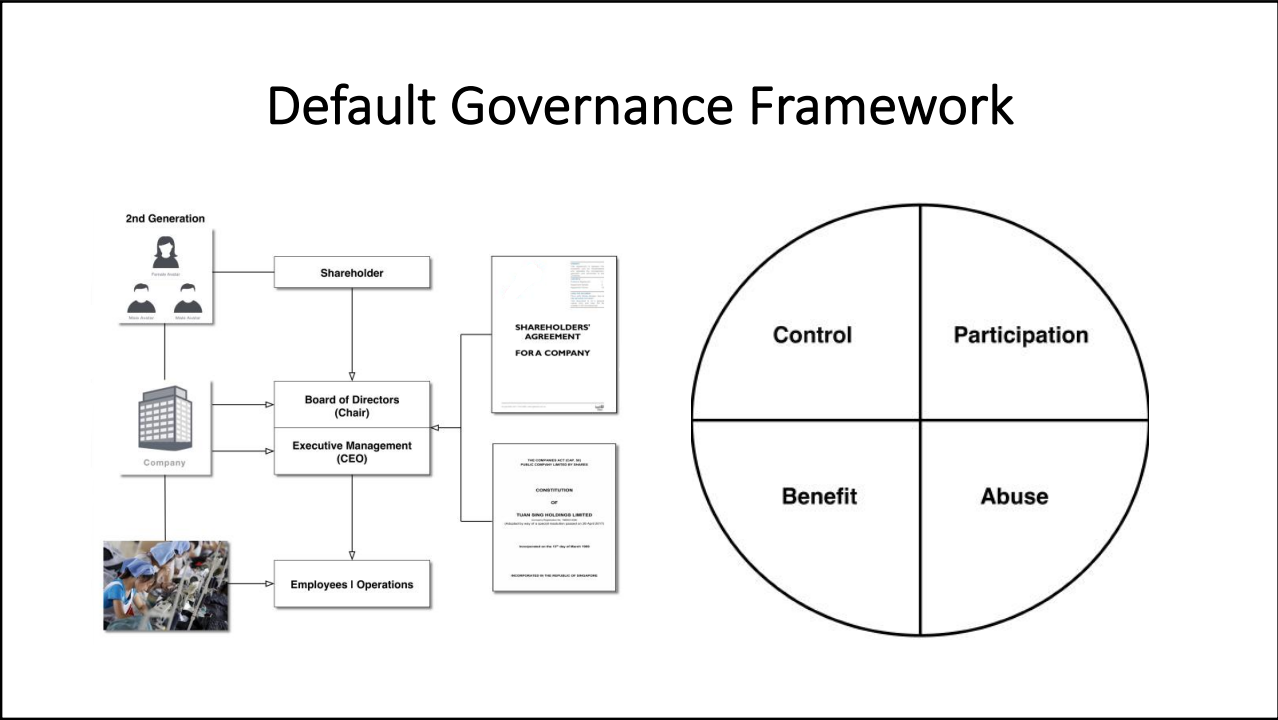


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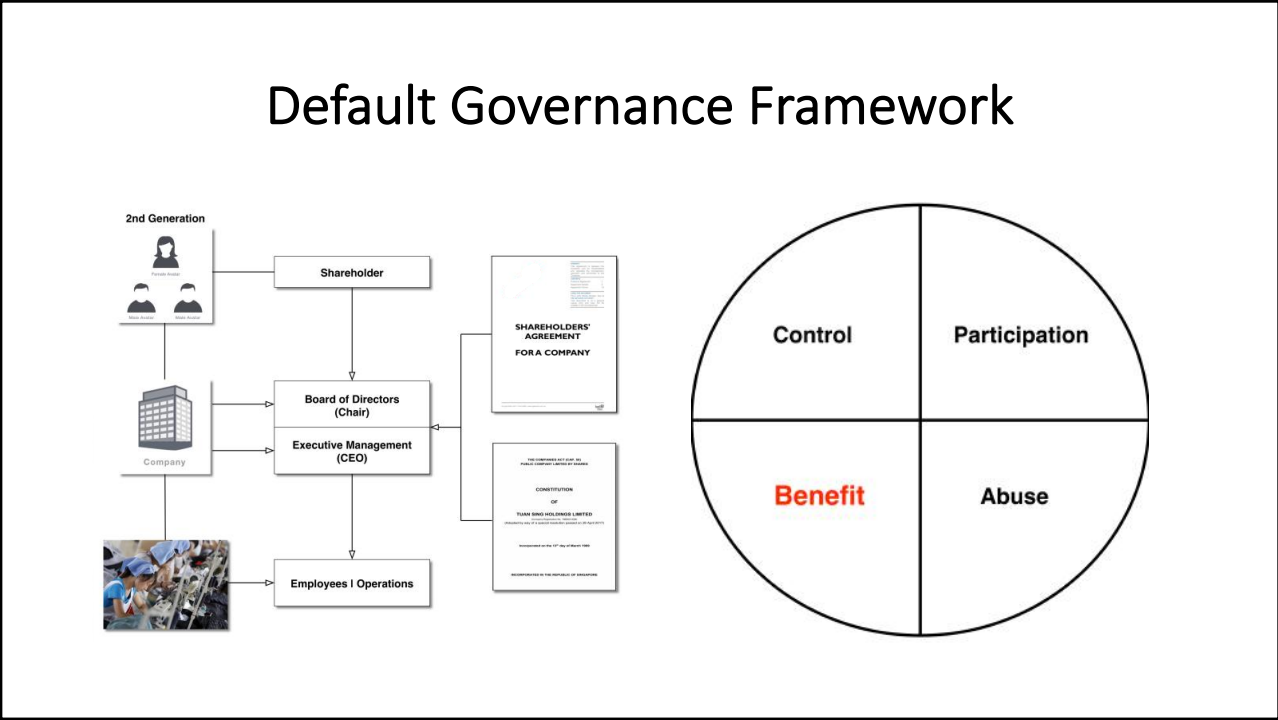
Governance Framework – Participation

- Valid restrictions on “Family Only” shareholders?
- What is a pre-emption right?
- Pre-emption on new share issue?
- Pre-emption – transmission on death?
- Director Discretion to Reject Registration?
- Can we implement a detailed Family Employment Policy?

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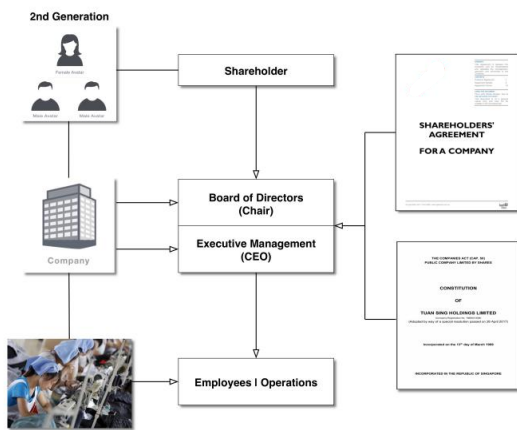


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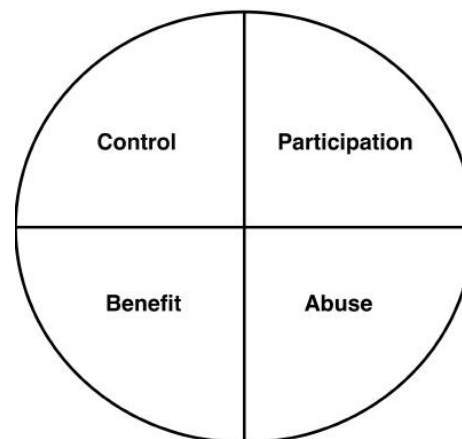
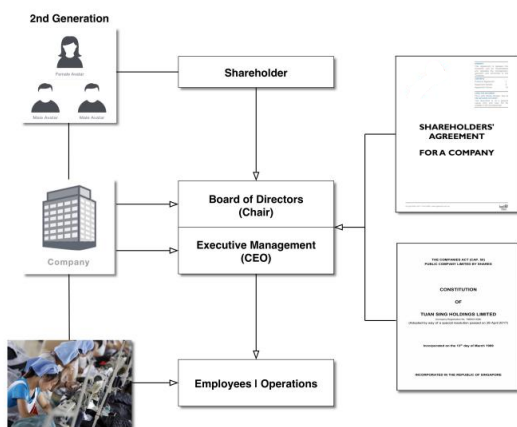
Governance Framework- Benefit



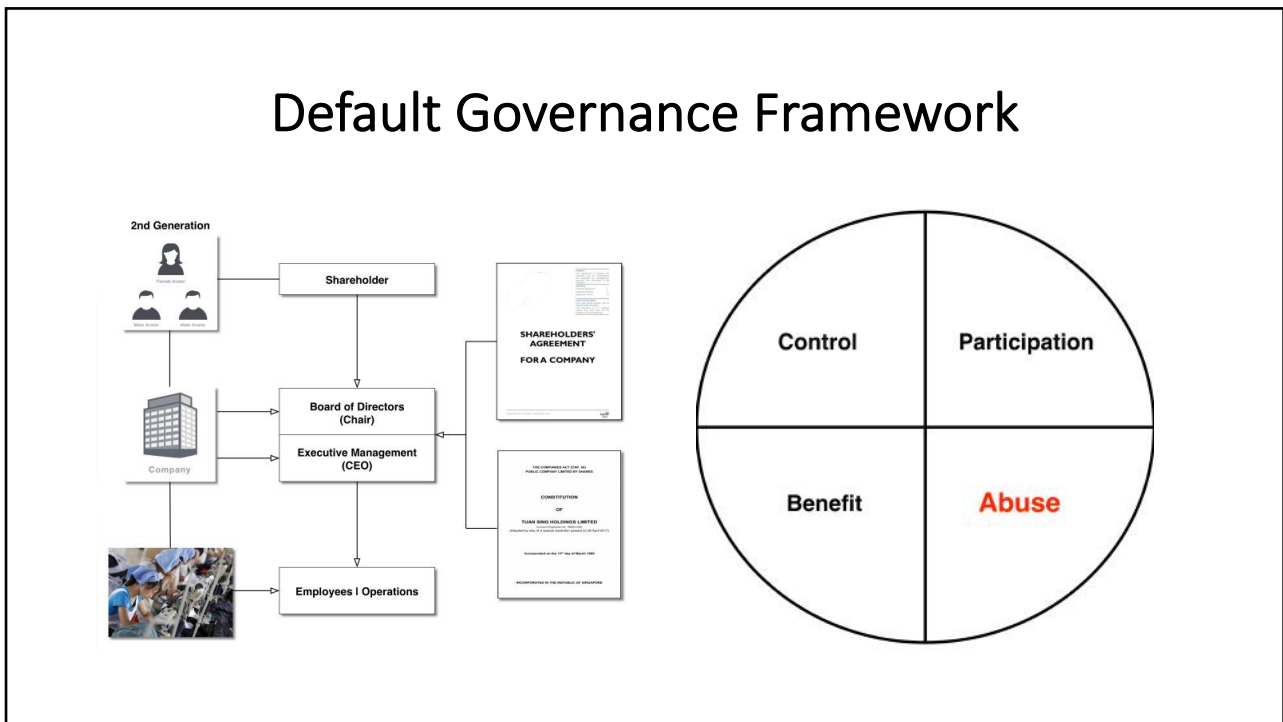
- Director discretion to declare dividends | Can we provide automatic distribution provisions?
- M&As or Shareholder Agreement?
- Can we implement a detailed Director | Executive Remuneration Policy?
- M&As or Shareholder Agreement?

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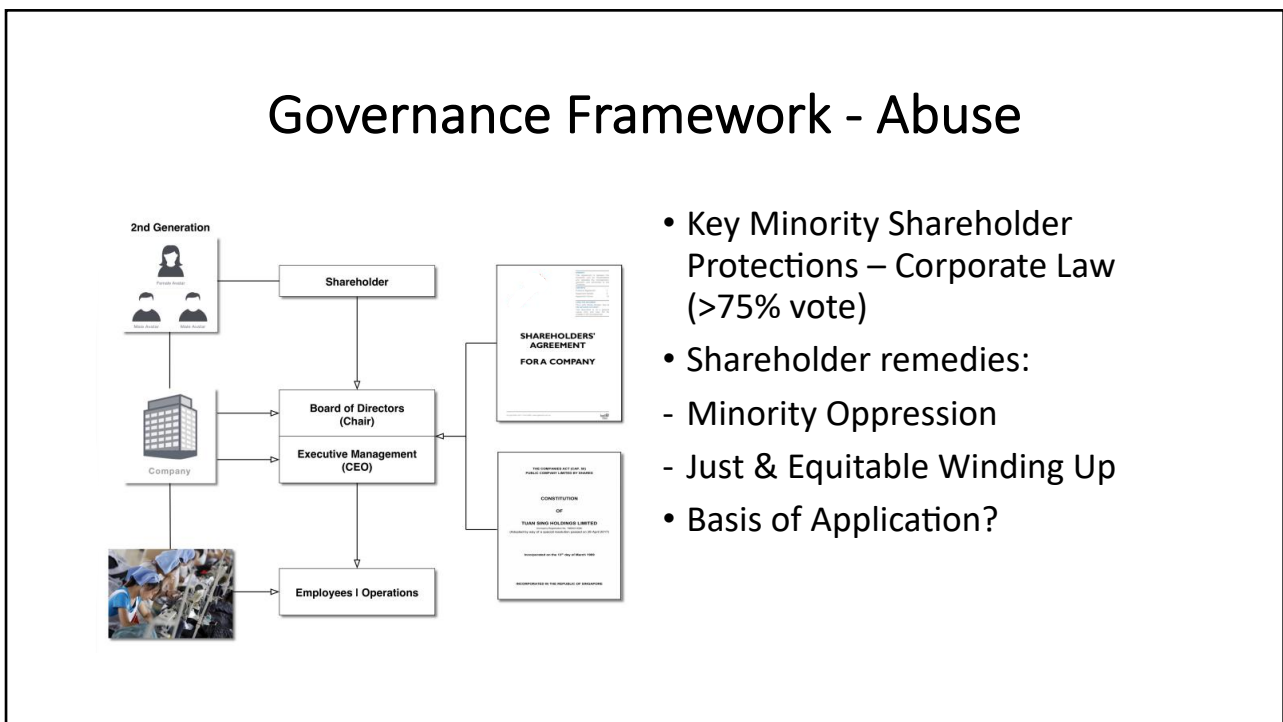
Default Governance Framework



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Governance Framework – Family Constitution



- Legal Implications Family Constitution:
 - Minority Oppression?
 - Just & Equitable Winding Up?

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Trust Succession:

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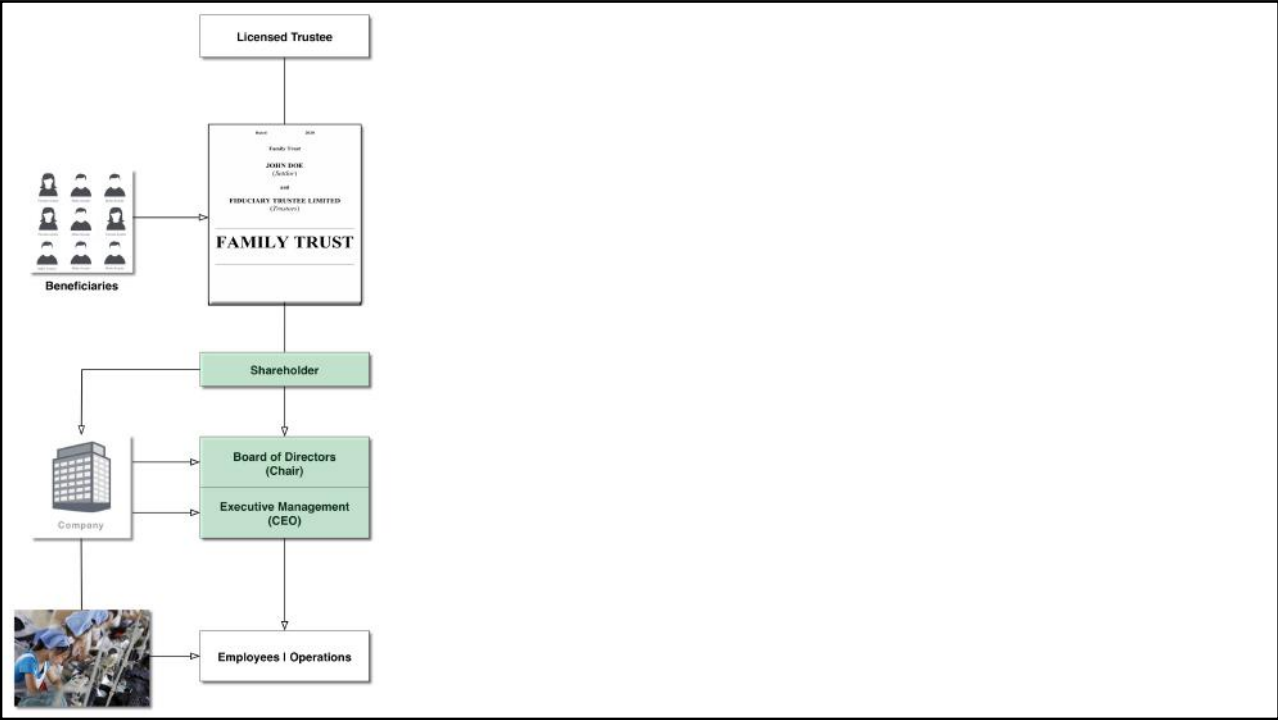
Trust Succession

- Reserve Power Trust
- Private Trust Company
- Governance Trust
- Enforcer Trust

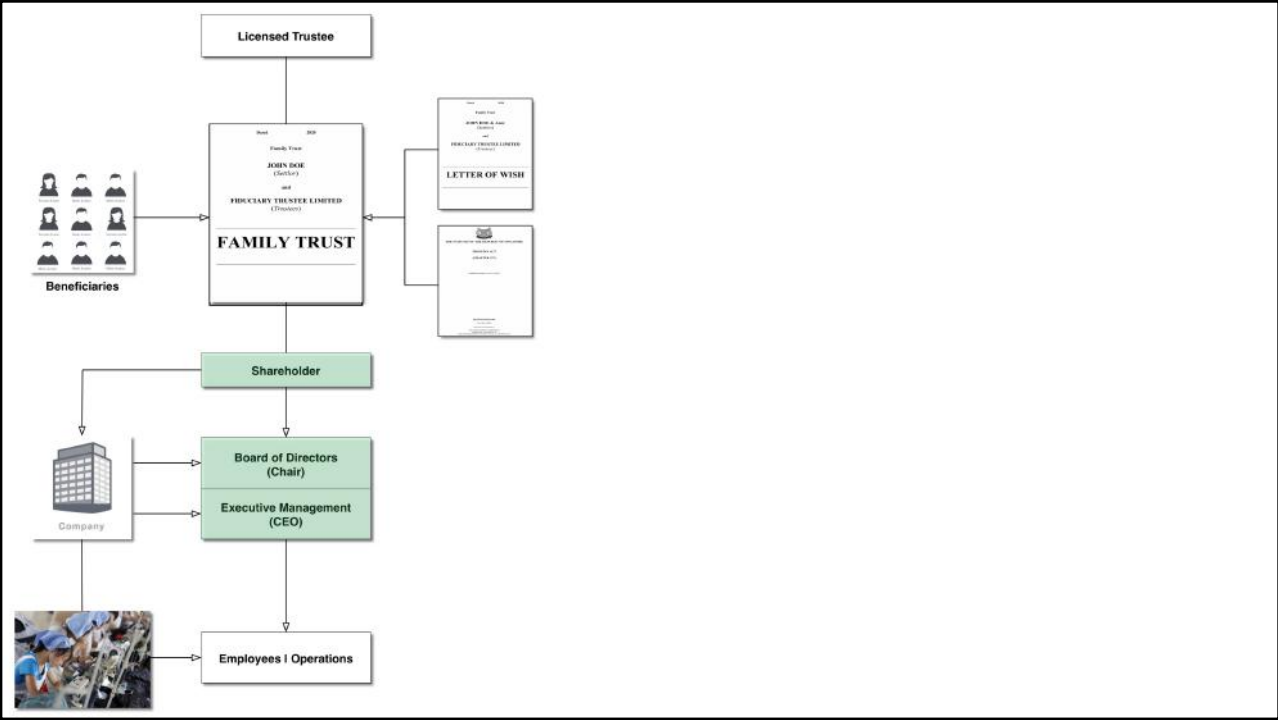
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Reserve Power Trust:

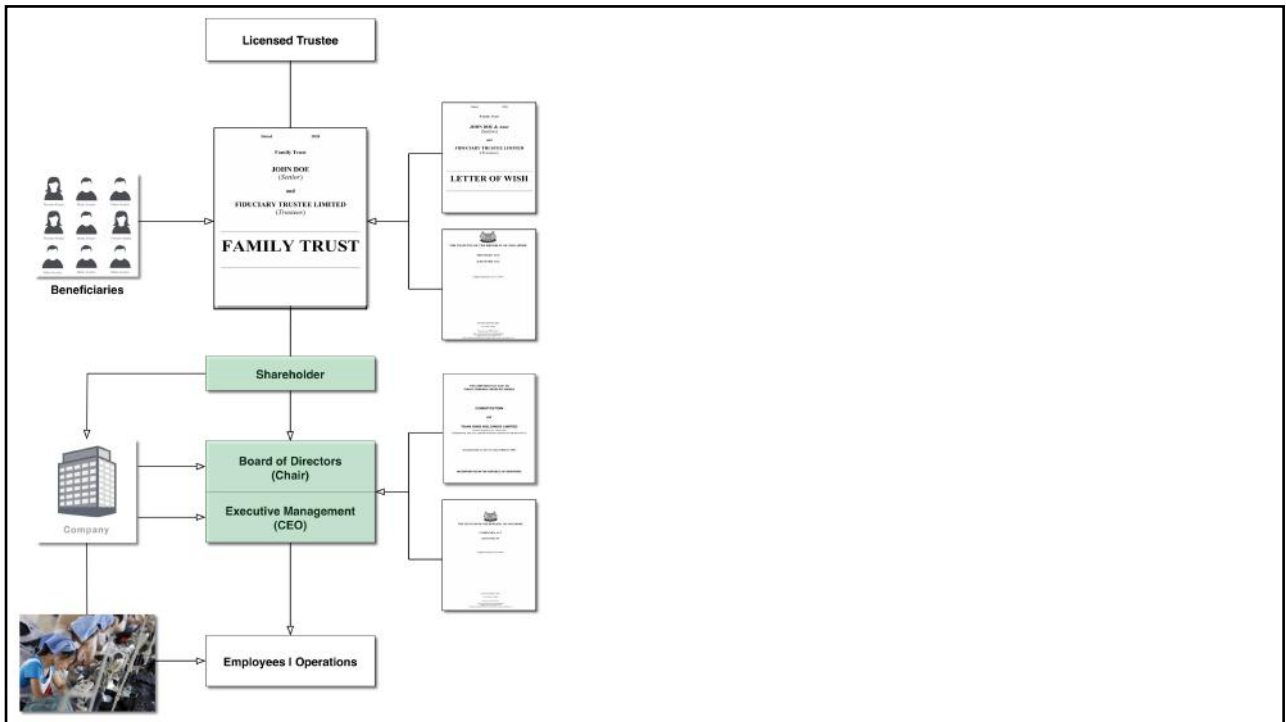
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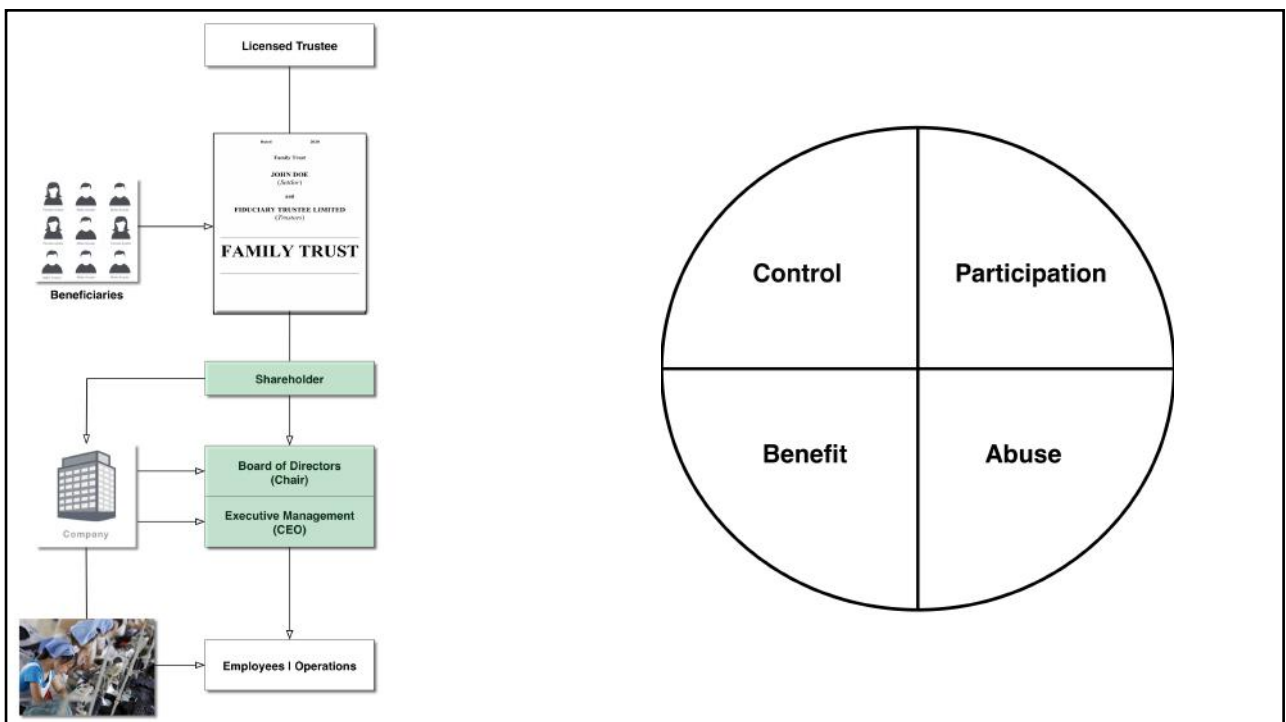
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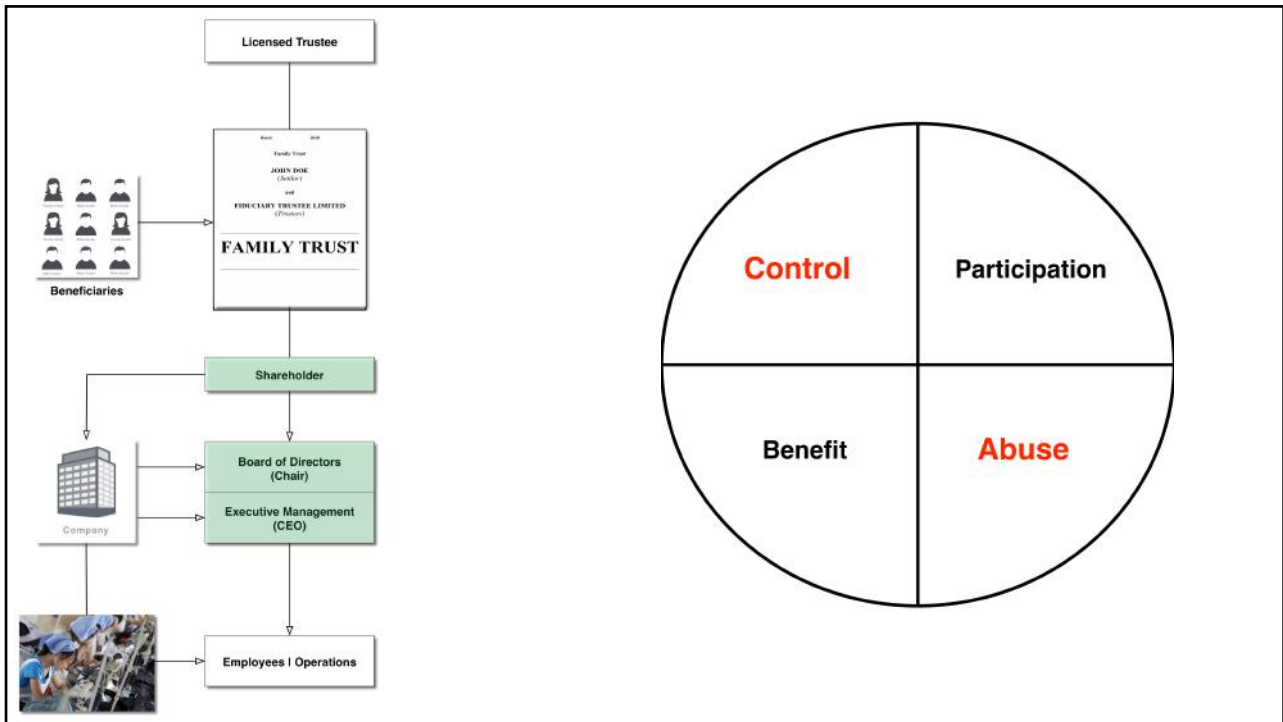
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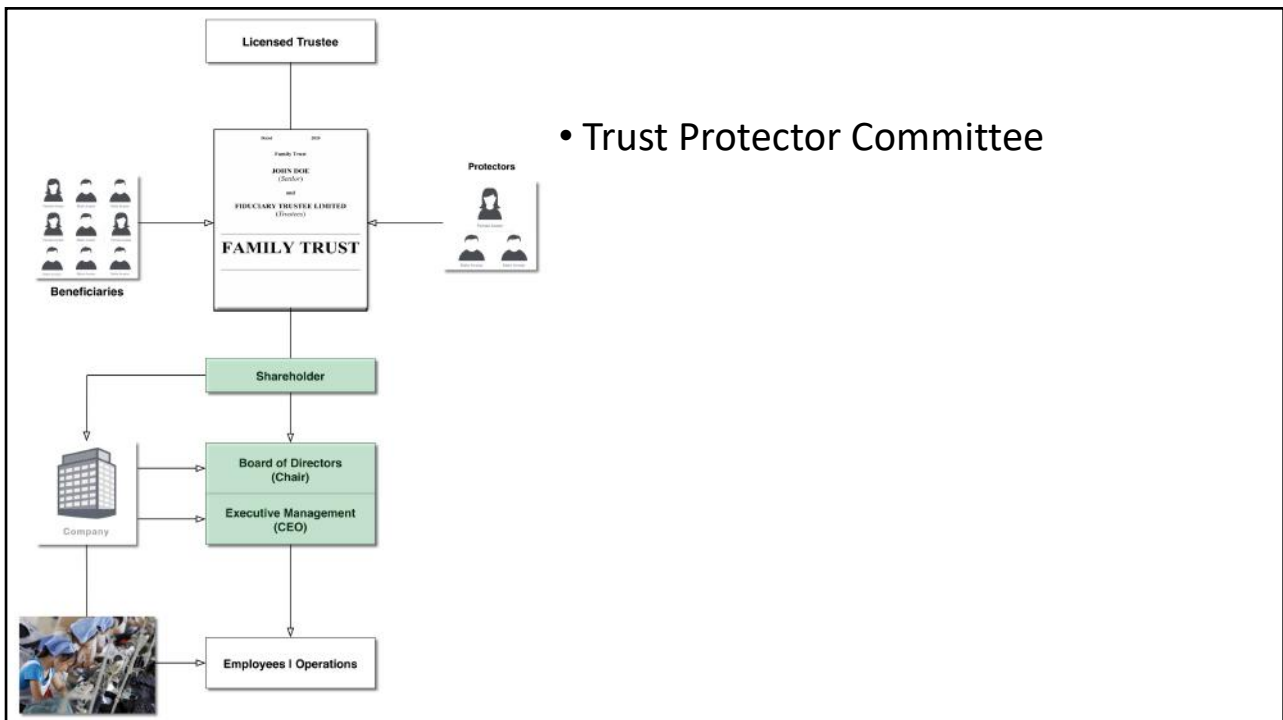
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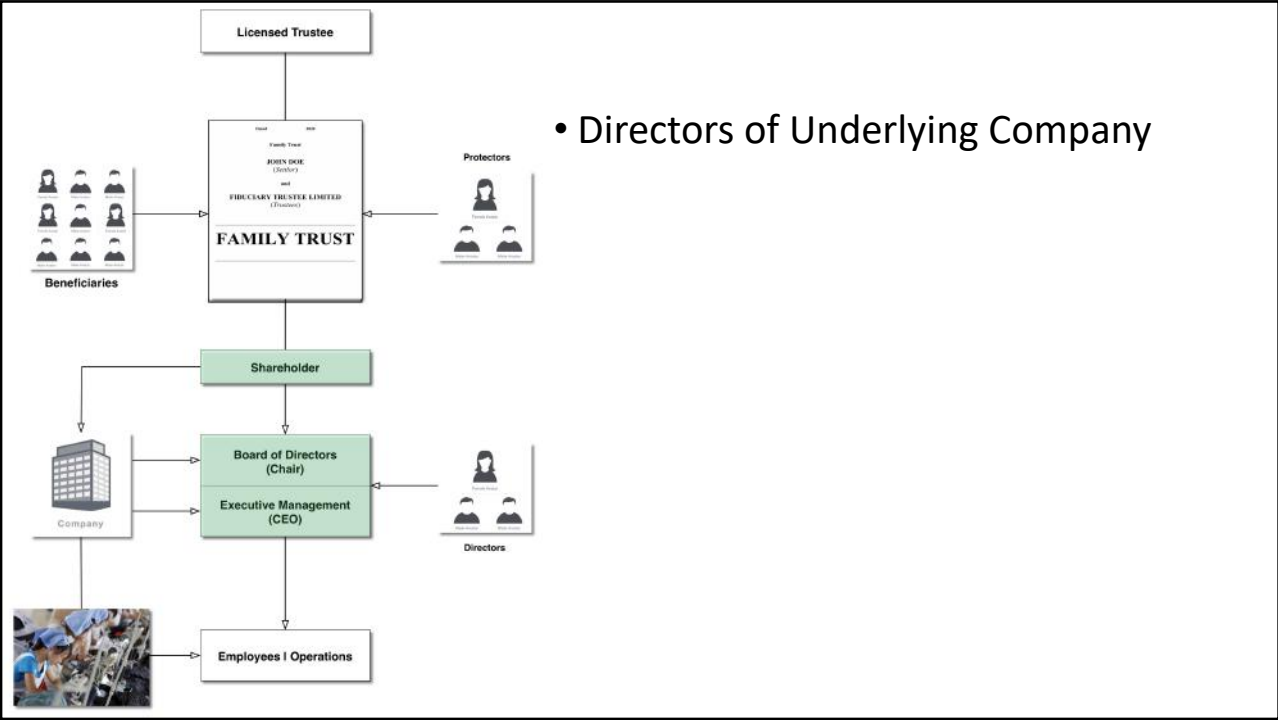
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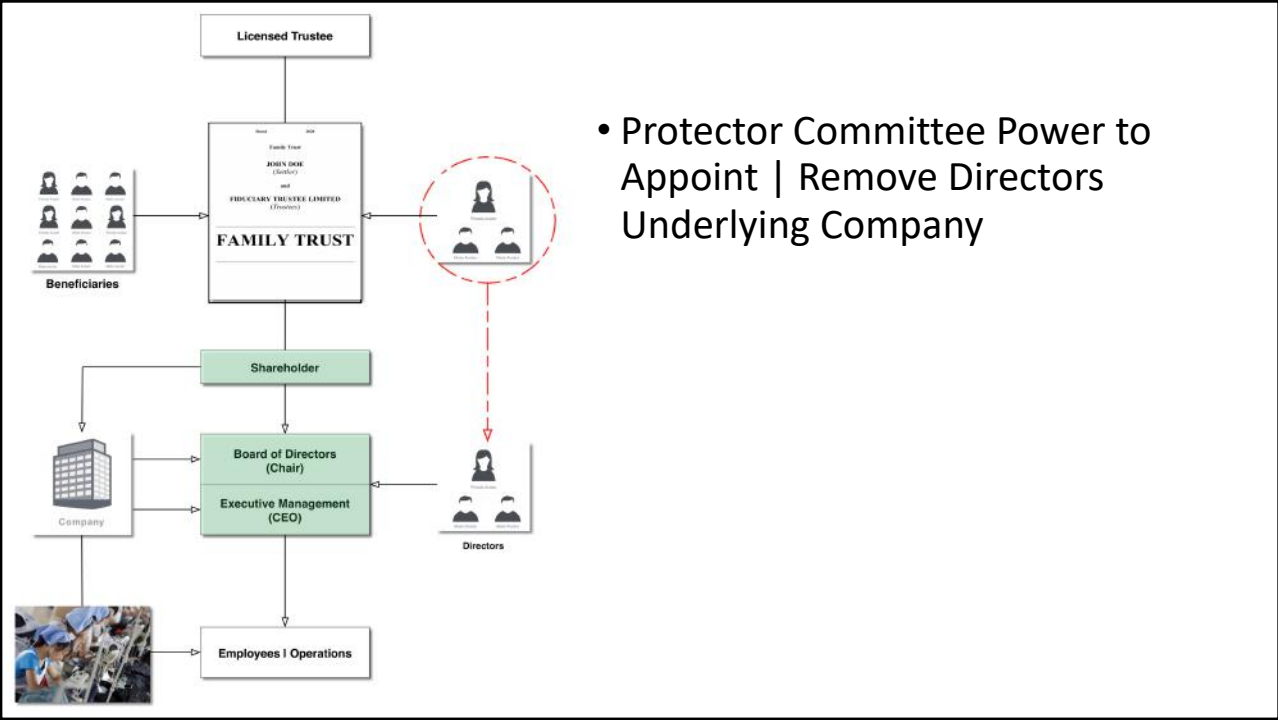
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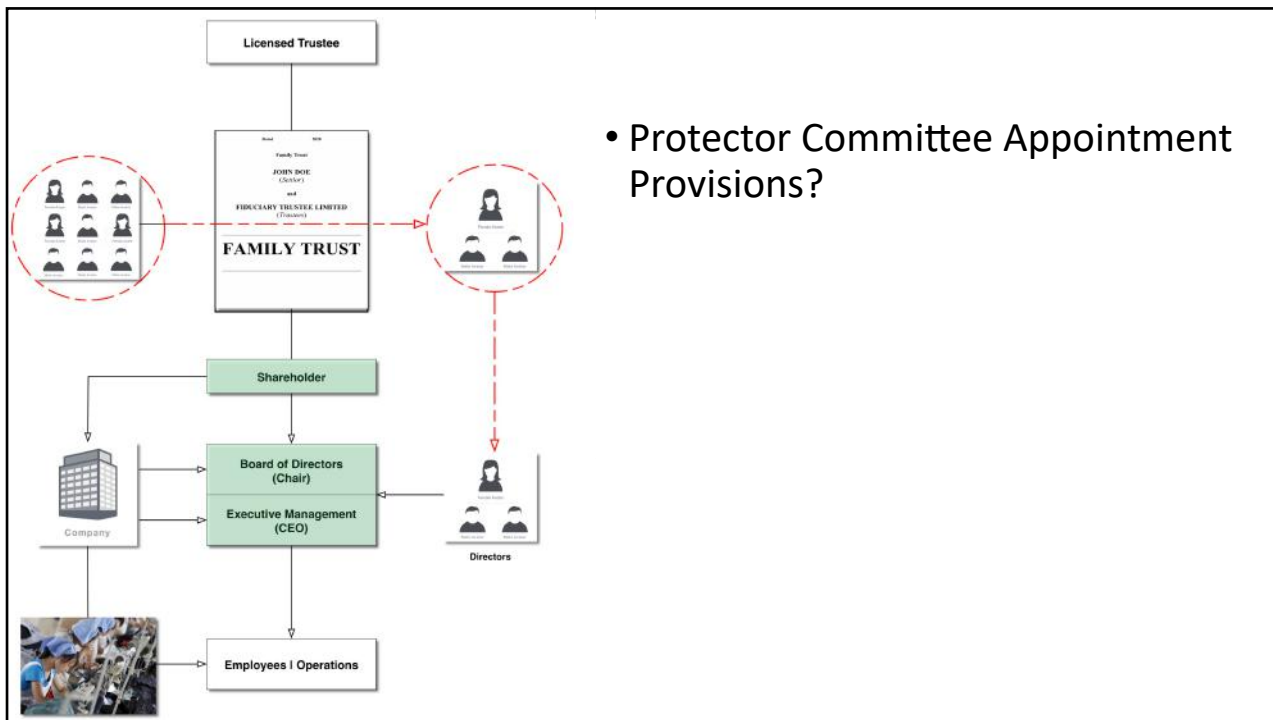
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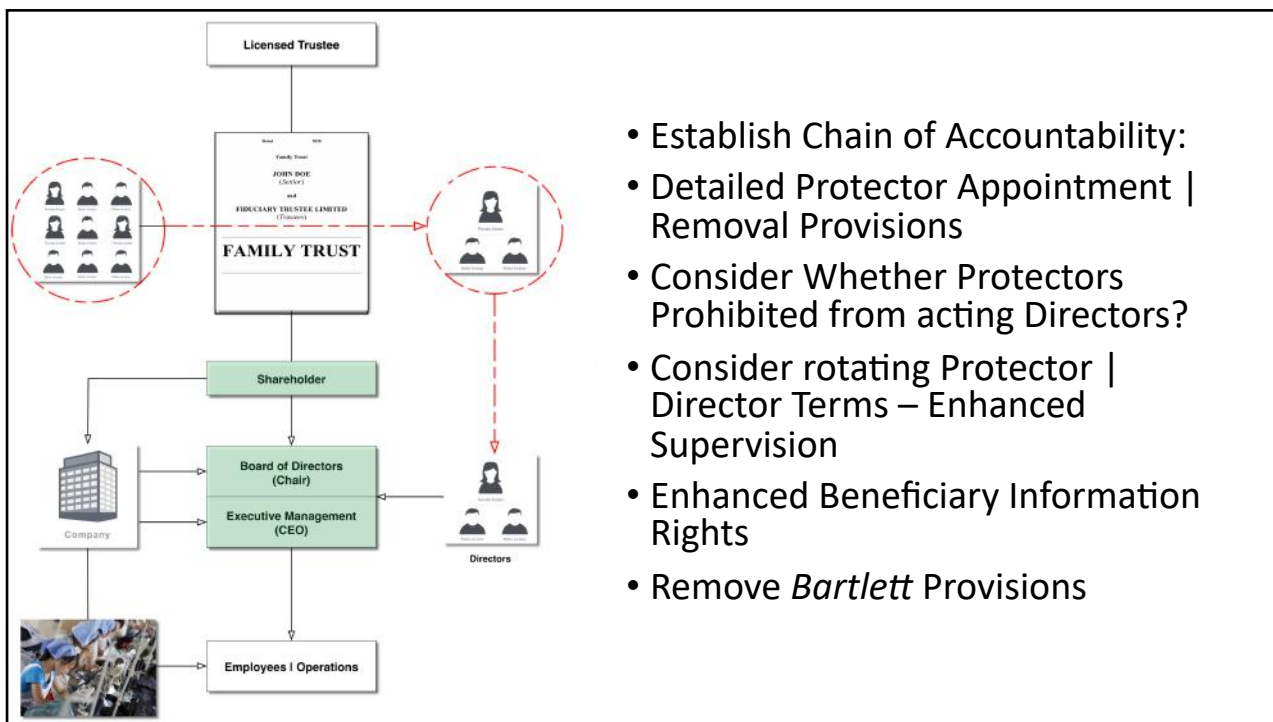


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- Protector Committee Appointment Provisions?

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- Establish Chain of Accountability:
- Detailed Protector Appointment | Removal Provisions
- Consider Whether Protectors Prohibited from acting Directors?
- Consider rotating Protector | Director Terms – Enhanced Supervision
- Enhanced Beneficiary Information Rights
- Remove *Bartlett* Provisions

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Private Trust Company:

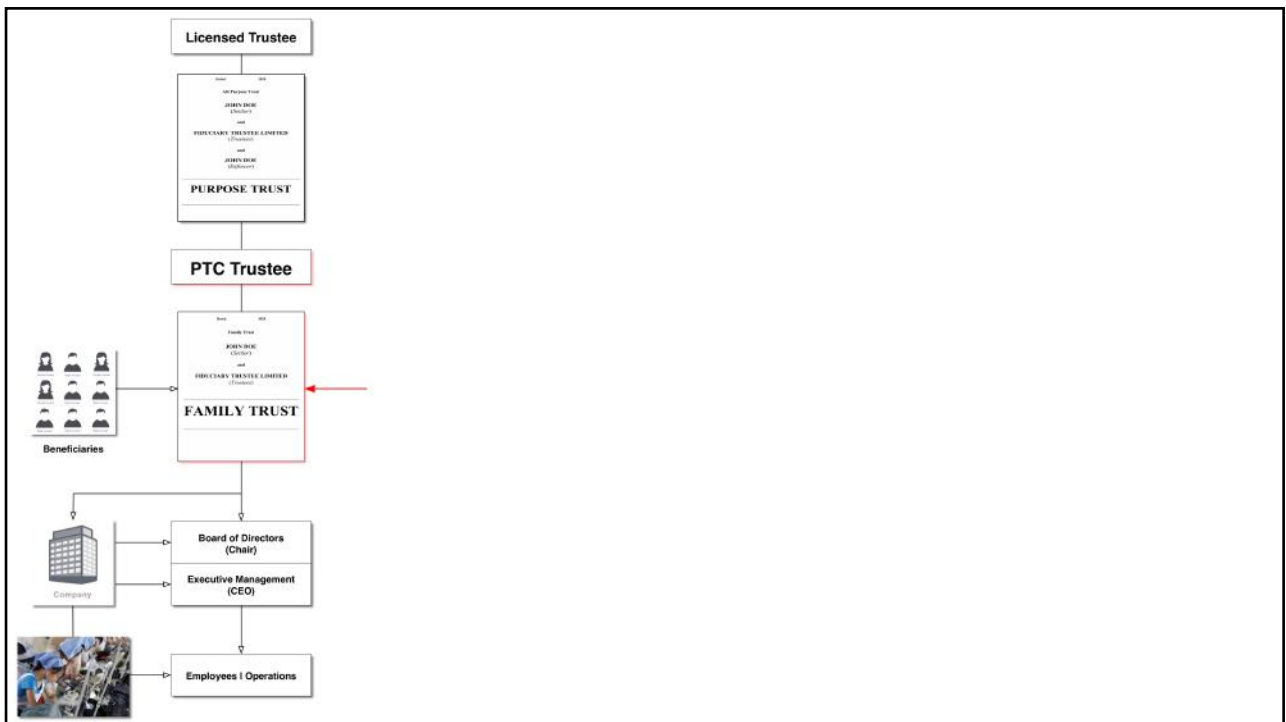
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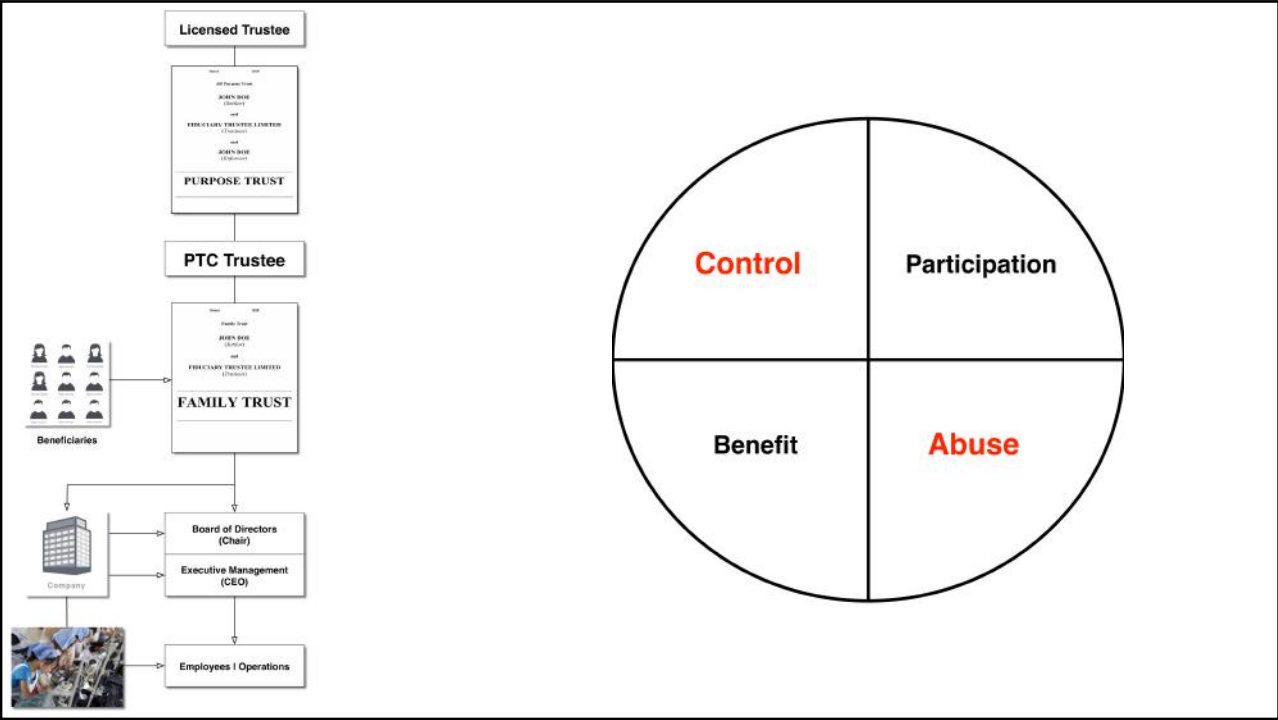
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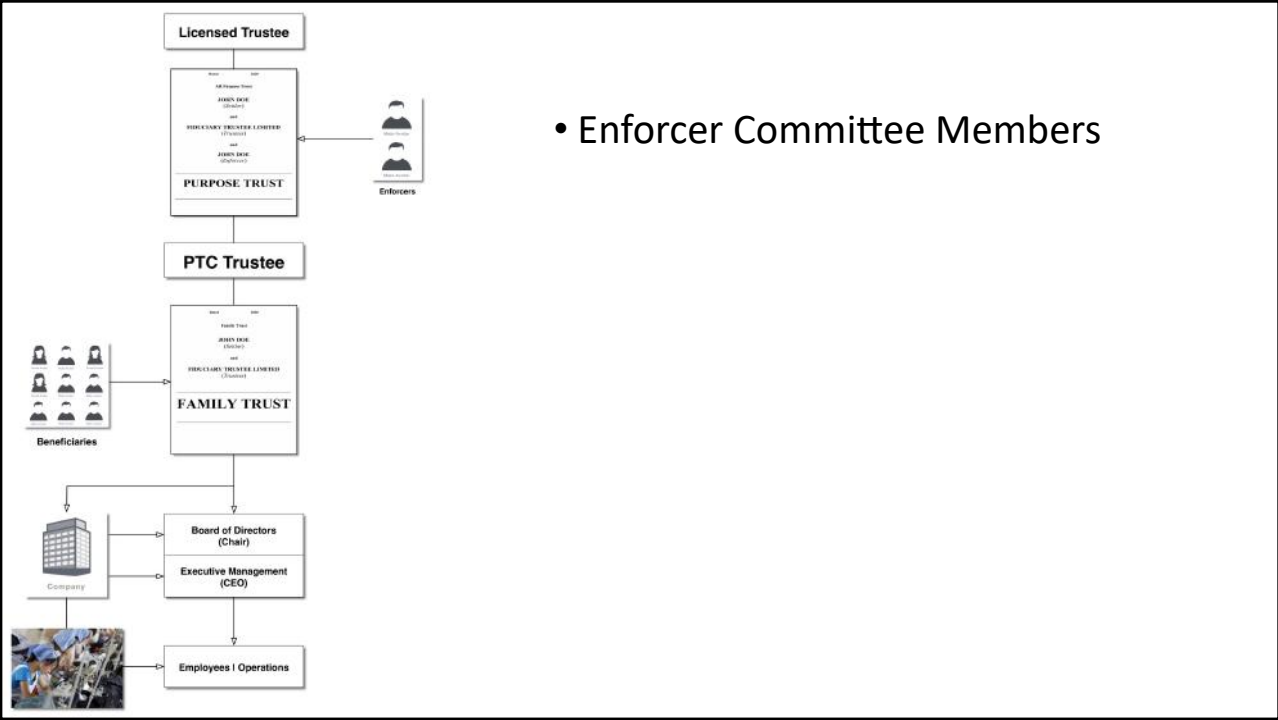
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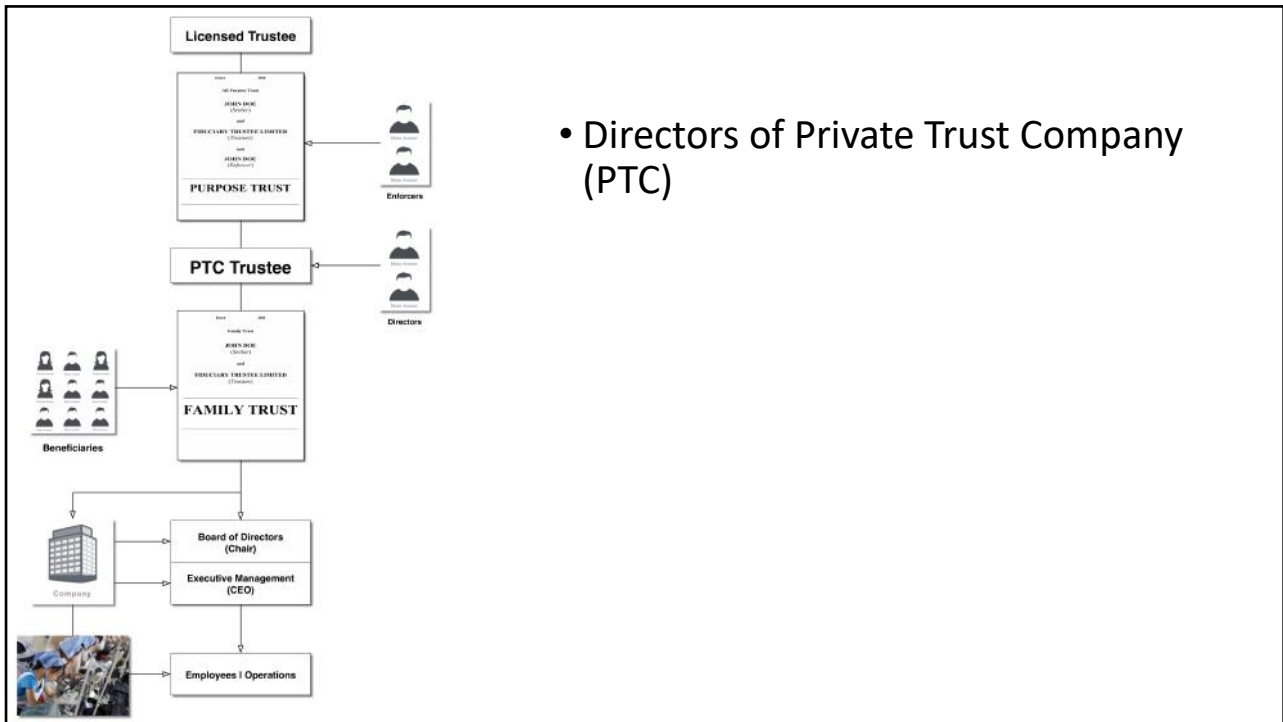
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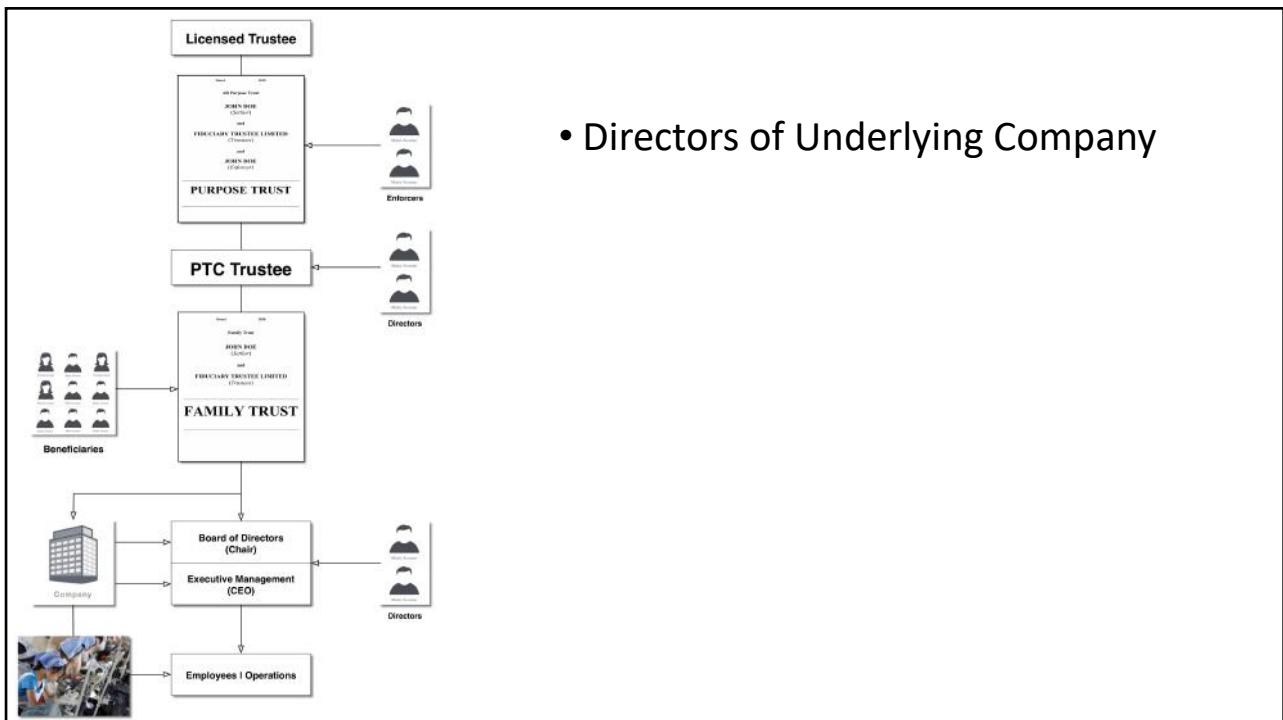


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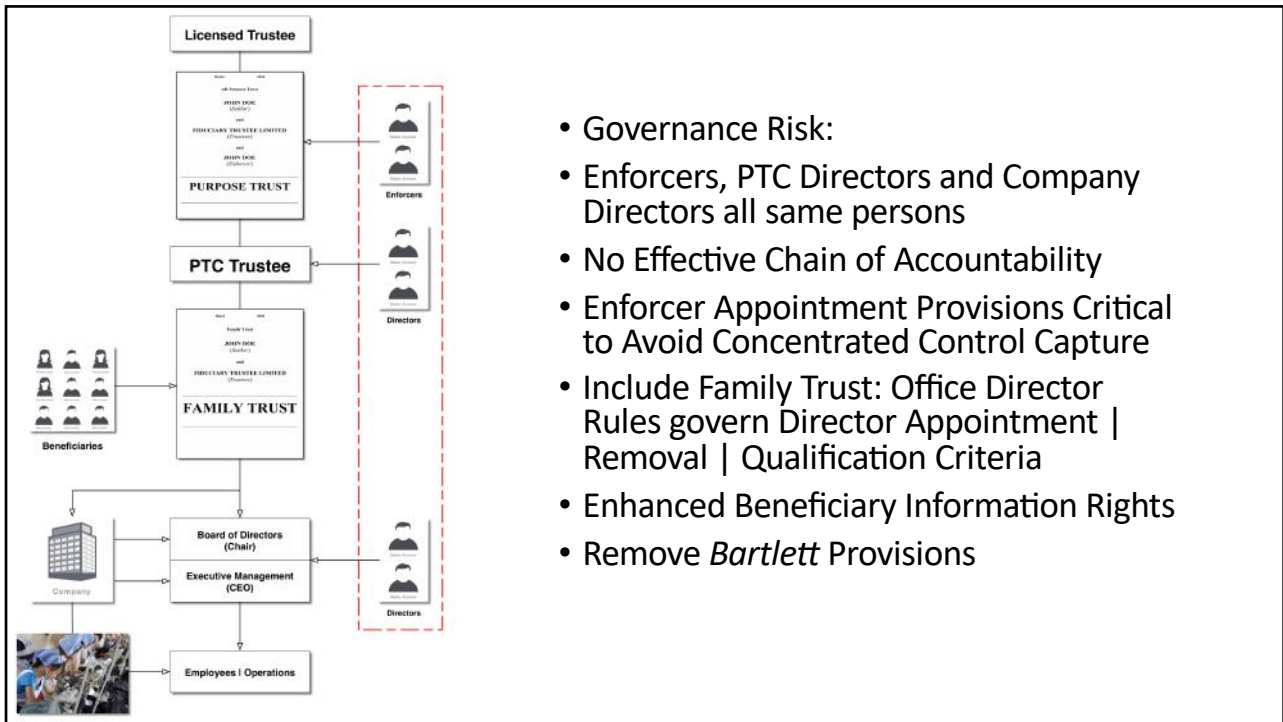
- Directors of Private Trust Company (PTC)

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- Directors of Underlying Company

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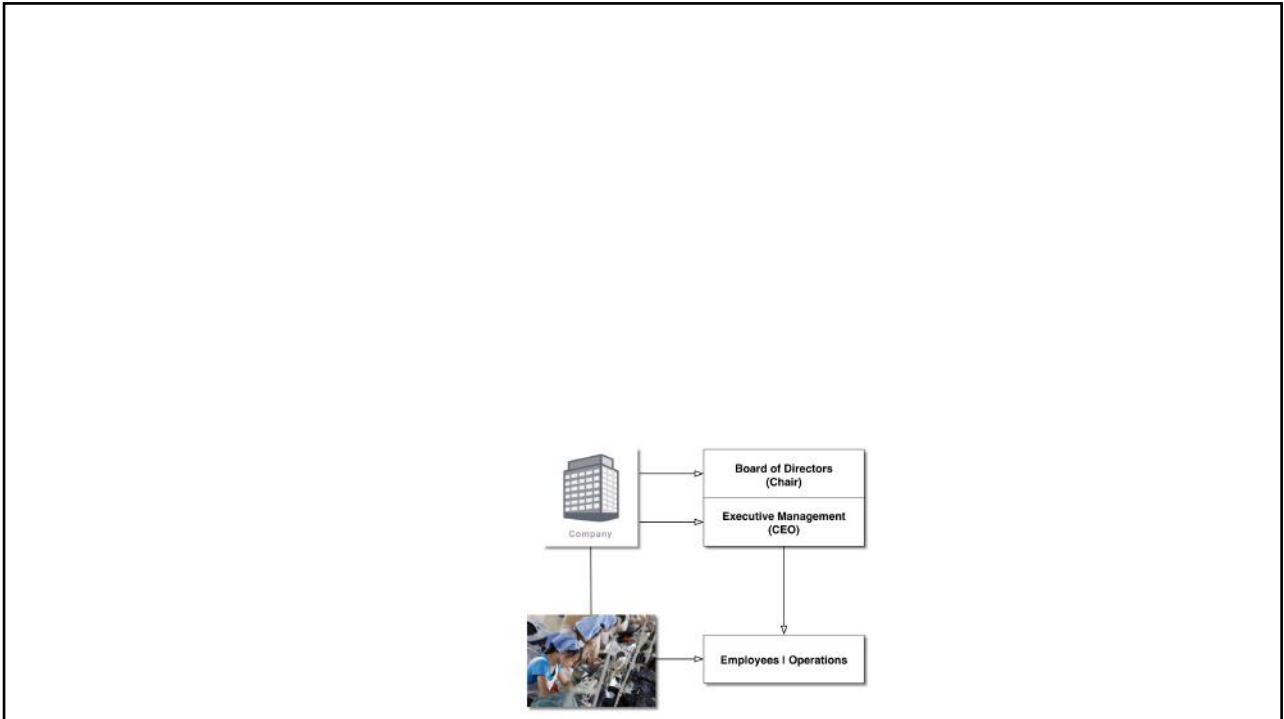


- Governance Risk:
- Enforcers, PTC Directors and Company Directors all same persons
- No Effective Chain of Accountability
- Enforcer Appointment Provisions Critical to Avoid Concentrated Control Capture
- Include Family Trust: Office Director Rules govern Director Appointment | Removal | Qualification Criteria
- Enhanced Beneficiary Information Rights
- Remove *Bartlett* Provisions

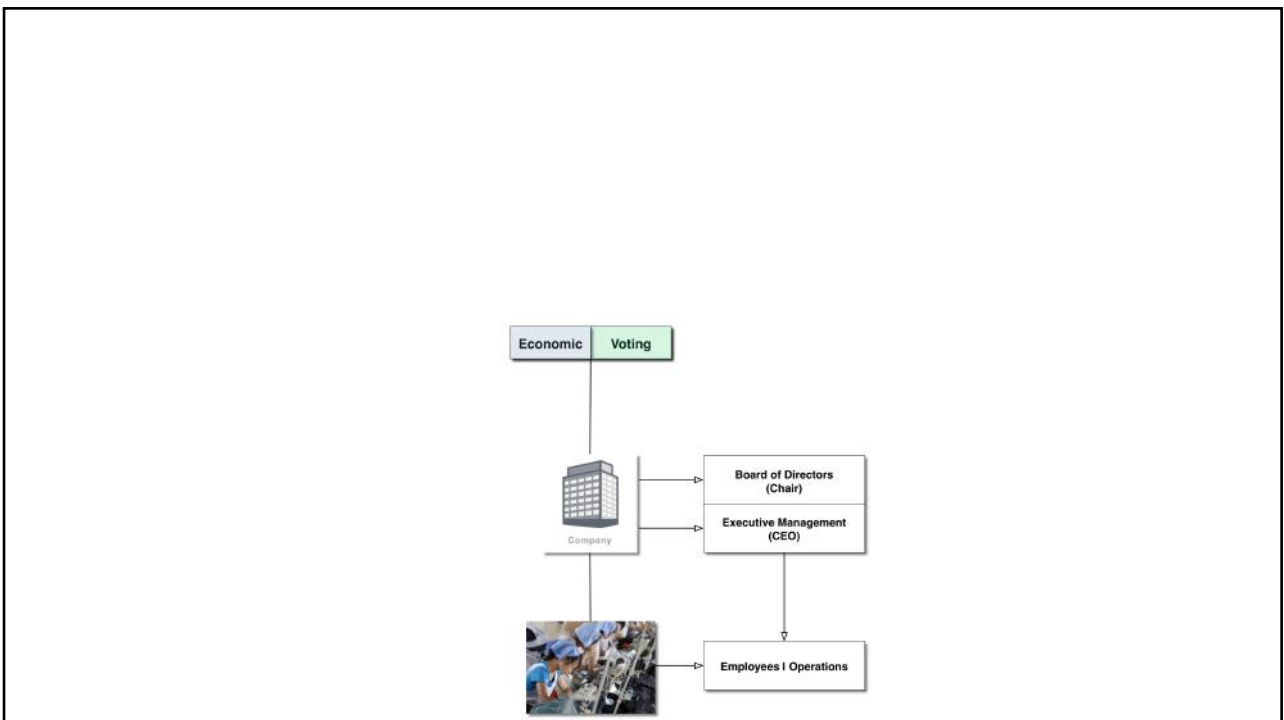
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Voting Trust:

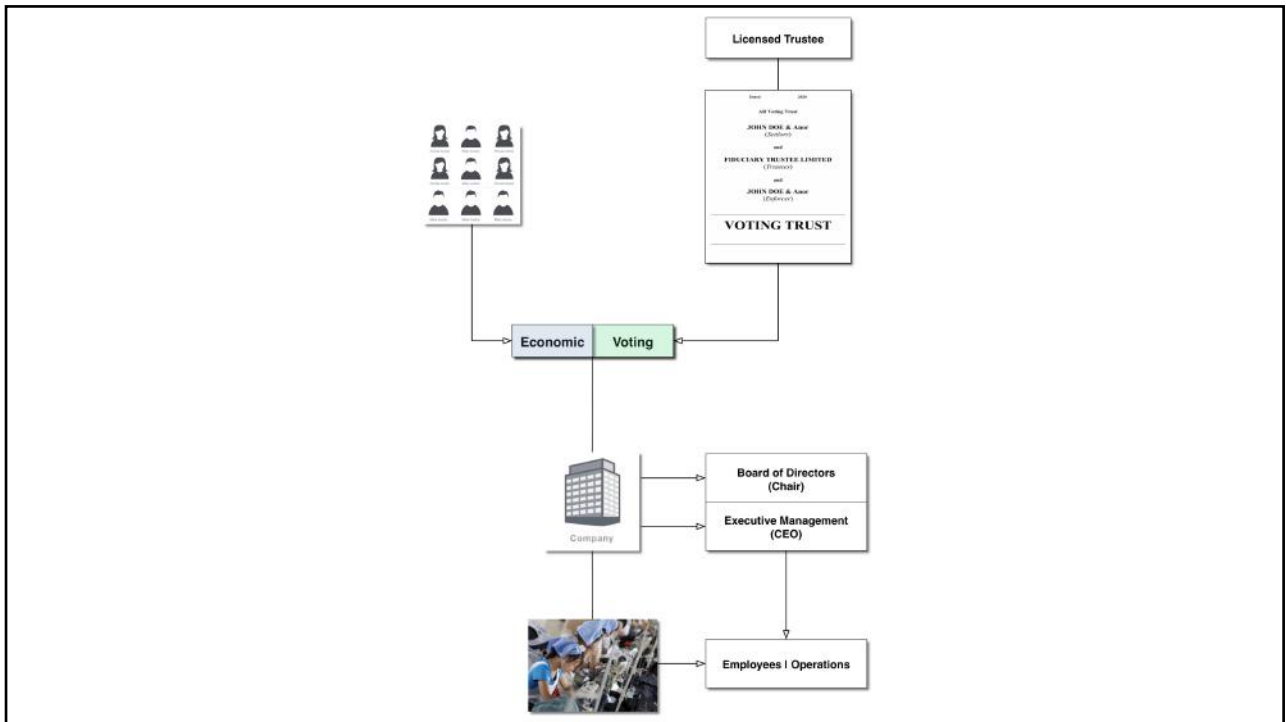
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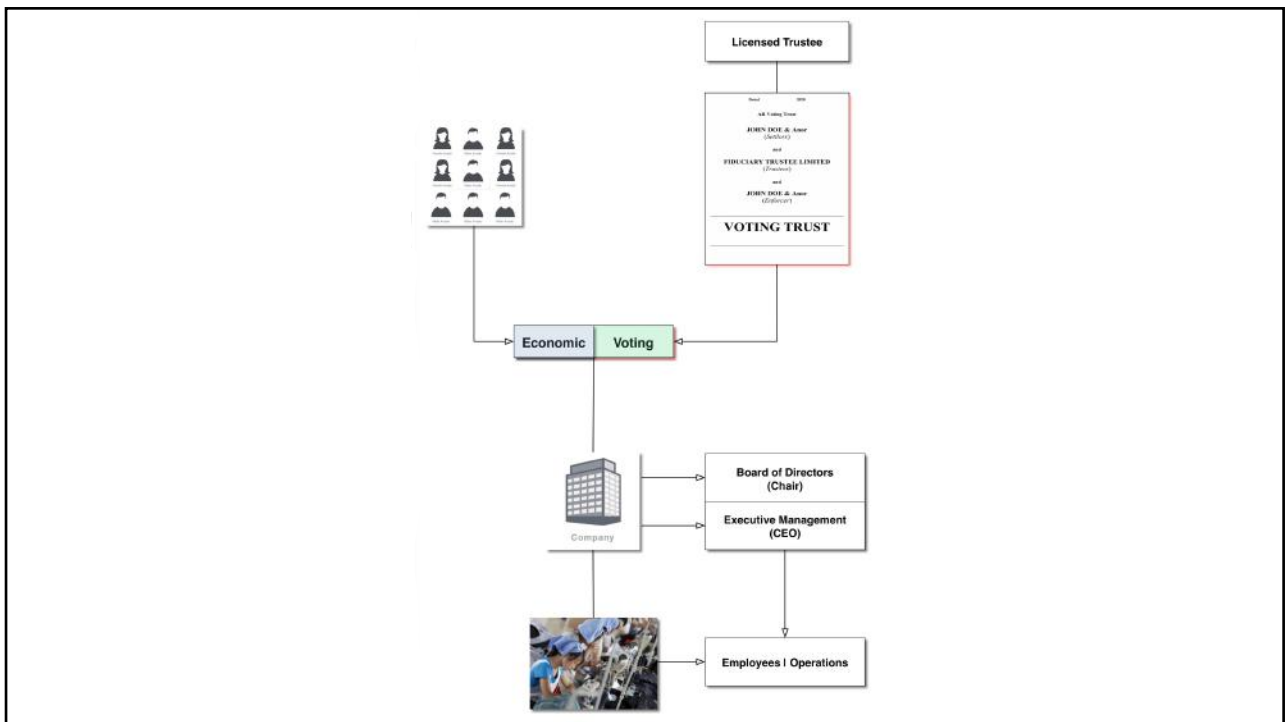
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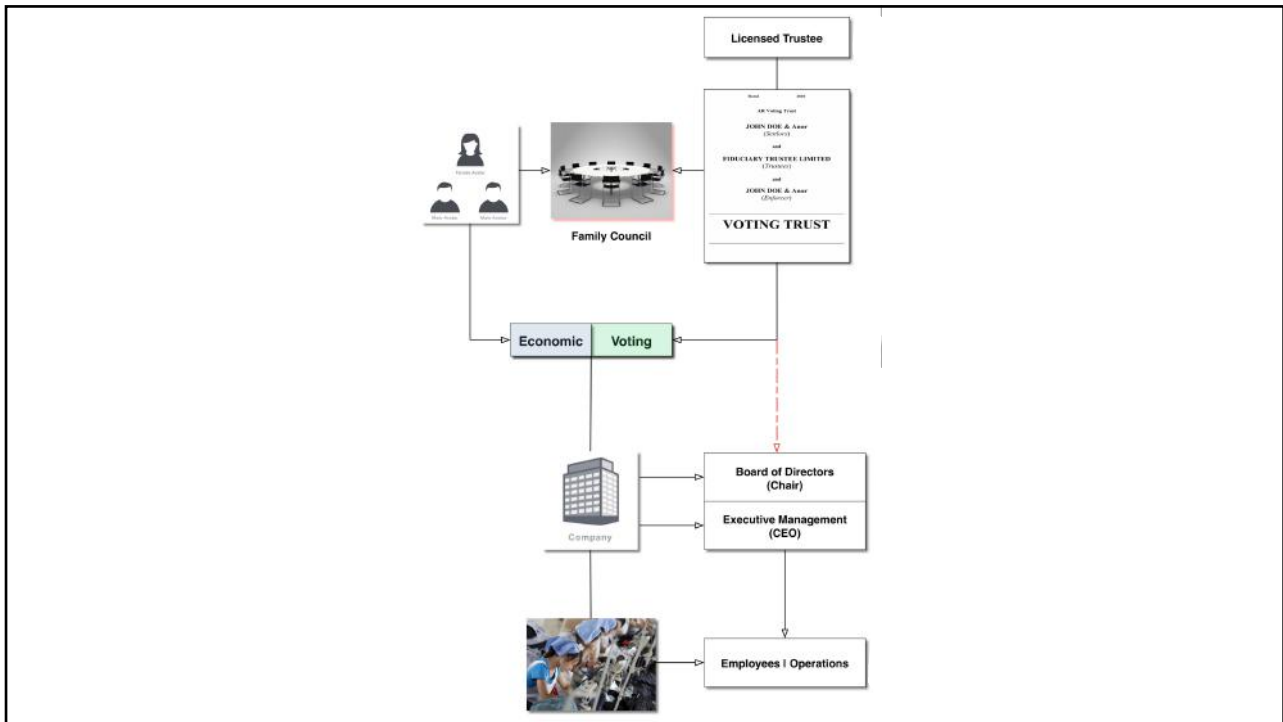
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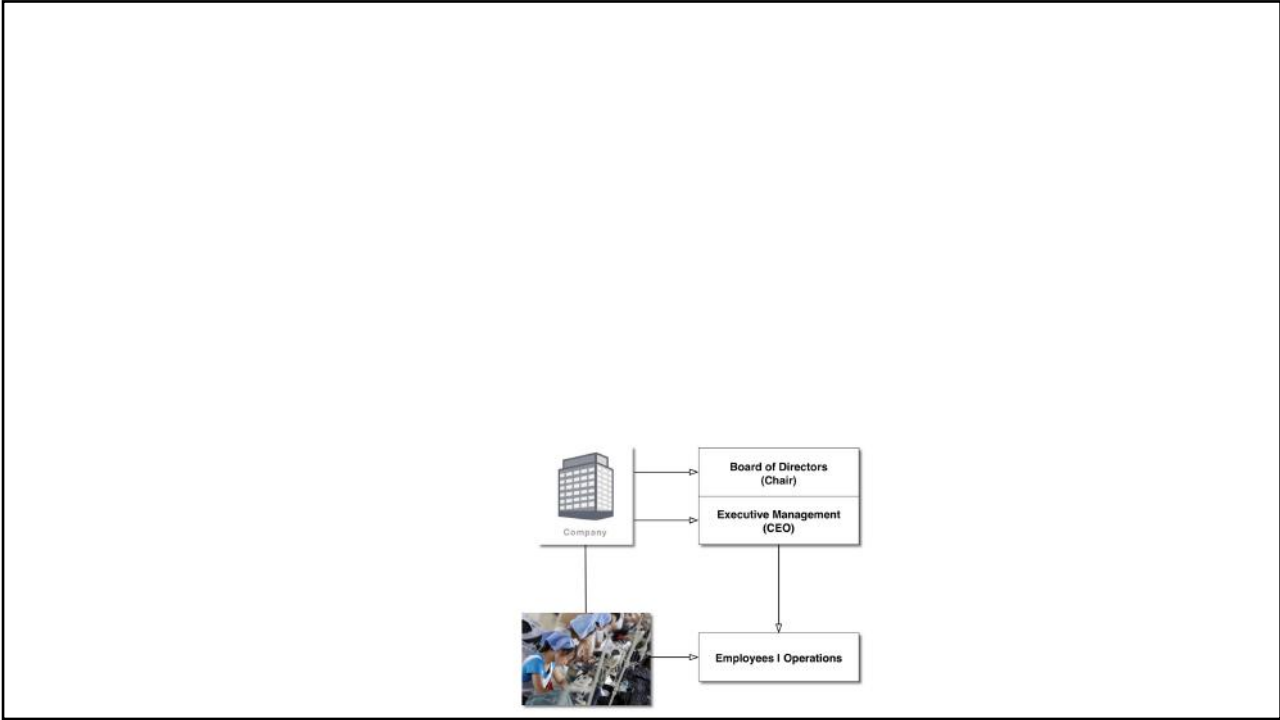
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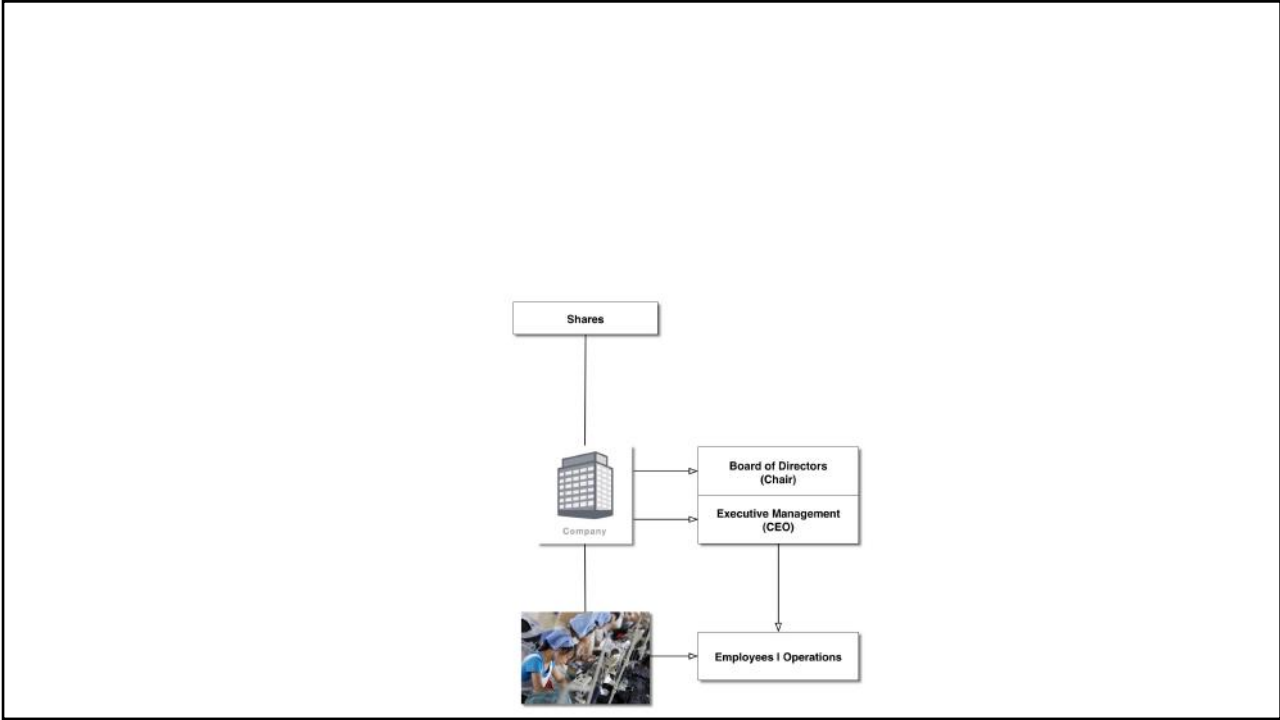
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Enforcer Trust:

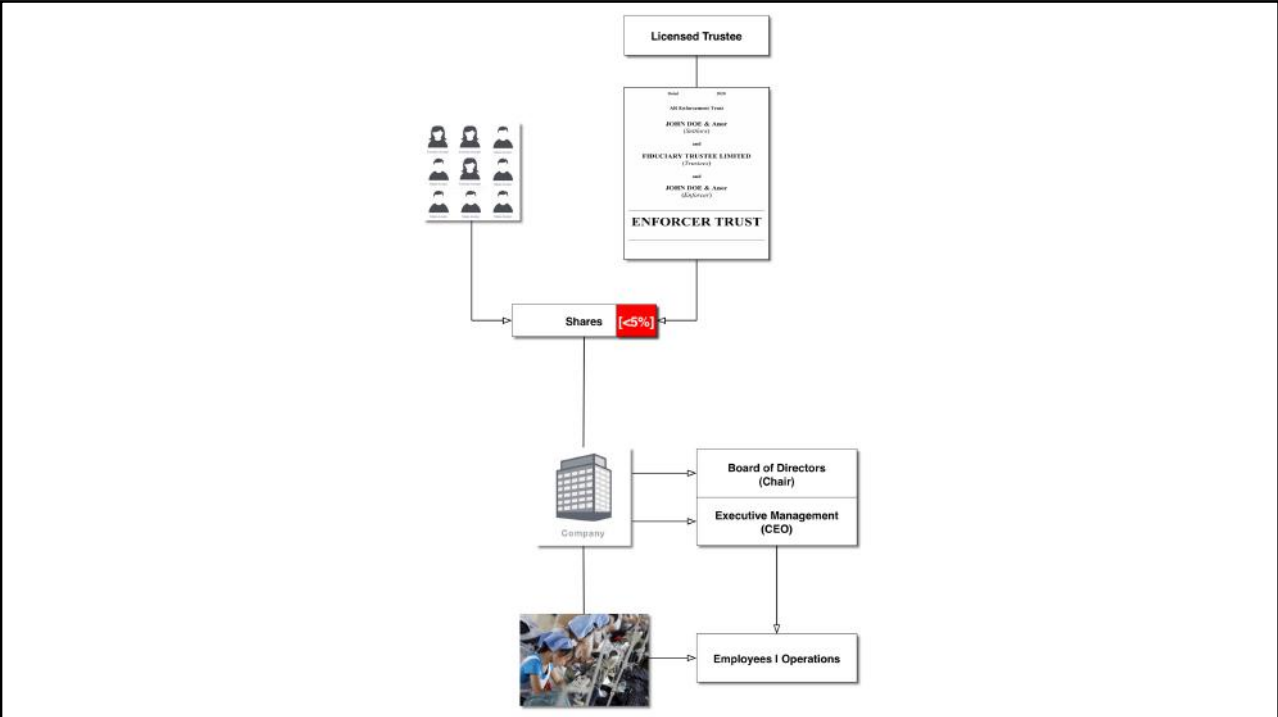
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Governance Project
Getting Started:

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